

Proposed Substitute House Bill 1981

H-2413.2/22

By Representative Pollet

Brief summary of the original version of HB 1981:

- Requires the Department of Commerce to undertake a study to determine the costs to cities and counties to revise their comprehensive plans and ensure compliance with the Growth Management Act; to distribute funds from the Local Government Support Account to ensure jurisdictions receives adequate funding for comprehensive plan updates; to develop provide planners and specialists to jurisdictions in developing comprehensive plans, along with model ordinances for plan implementation; and appropriates \$25,000,000 for the Department of Commerce to provide grants to Clark, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties, and the cities within those counties, for the costs of planning and meeting new requirements imposed under the Growth Management Act in the 2021-2022 Legislative Session.
- Expands the requirements of the housing element of the comprehensive plan to address displacement, increased economic integration, and affordable housing near transit; requires jurisdictions planning under the Growth Management Act to make various considerations, including examining infrastructure needs, when planning for new housing; and requires certain jurisdictions to adopt a housing plan sub-element with additional planning requirements.
- Expands the requirements of the capital facilities plan element to address health inequities and school capacity and changes the qualifications for cities to be exempt from the economic development element of the comprehensive plan.
- Adds a new mandatory built environment livability element to the comprehensive plan.
- Prohibits homeowners' associations, common interest communities, and restrictive covenants from prohibiting housing types that the city in which the property is located would be required to allow.
- Authorizes increase in property tax levy of up to three percent based on population and inflation, with the difference between the increase and a one percent increase required to be used for planning under the Growth Management Act, the provision of infrastructure where a lack of infrastructure prevents infill, or to increase resiliency to climate change.
- Authorizes additional graduated state real estate excise tax to fund the Local Government Planning Support Account, with funds primarily be used by the Department of Commerce to provide grants to local governments for required comprehensive plan updates, and secondarily by the Department of Commerce to provide staff support and other assistance to local governments in planning.

Amendment makes the following changes to the underlying bill:

- Removes all substantive provisions except the requirement that the Department of Commerce undertake an evaluation to determine the costs to cities and counties to revise

their comprehensive plans and regulations to ensure compliance with the Growth Management Act.

1 AN ACT Relating to local government planning; amending RCW
2 36.70A.190; and creating new sections.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature intends that the study
5 provided for in RCW 36.70A.190, and updates to it periodically
6 thereafter, shall assist in ensuring that cities and counties receive
7 adequate funding for planning for new elements of comprehensive plans
8 and for the adoption of implementing ordinances and development
9 regulations pursuant to chapter 36.70A RCW for future comprehensive
10 plan updates.

11 **Sec. 2.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended
12 to read as follows:

13 (1) The department shall establish a program of technical and
14 financial assistance and incentives to counties and cities to
15 encourage and facilitate the adoption and implementation of
16 comprehensive plans and development regulations throughout the state.

17 (2)(a) The department shall evaluate the costs for counties and
18 cities to review and revise their comprehensive plans to assure
19 compliance with this chapter. This evaluation must be completed by
20 December 1, 2022, and updated every five years thereafter. The

1 department shall provide a report of the evaluation to the
2 legislature upon completion of the evaluation. The evaluation must
3 include, at a minimum, the costs for each general jurisdiction size
4 and type, and the costs to complete various types of planning
5 requirements, including:

- 6 (i) Meeting the requirements of a new goal in RCW 36.70A.020;
- 7 (ii) Meeting the requirements of a new comprehensive plan element
8 in RCW 36.70A.070;
- 9 (iii) Updating a critical areas ordinance;
- 10 (iv) Updating a shoreline master program ordinance;
- 11 (v) Making a minor update of a comprehensive plan element;
- 12 (vi) Making a complex update of a comprehensive plan element;
- 13 (vii) Updating a development regulation; and
- 14 (viii) Implementing a new development regulation.

15 (b) The department shall consult with the Washington state
16 association of counties and the association of Washington cities as
17 part of the process for performing and completing the evaluation.

18 (3) The department shall develop a priority list and establish
19 funding levels for planning and technical assistance grants both for
20 counties and cities that plan under RCW 36.70A.040. Priority for
21 assistance shall be based on a county's or city's population growth
22 rates, commercial and industrial development rates, the existence and
23 quality of a comprehensive plan and development regulations, and
24 other relevant factors.

25 ~~((+3+))~~ (4) The department shall develop and administer a grant
26 program to provide direct financial assistance to counties and cities
27 for the preparation of comprehensive plans under this chapter. The
28 department may establish provisions for county and city matching
29 funds to conduct activities under this subsection. Grants may be
30 expended for any purpose directly related to the preparation of a
31 county or city comprehensive plan as the county or city and the
32 department may agree, including, without limitation, the conducting
33 of surveys, inventories and other data gathering and management
34 activities, the retention of planning consultants, contracts with
35 regional councils for planning and related services, and other
36 related purposes.

37 ~~((+4+))~~ (5) The department shall establish a program of technical
38 assistance:

39 (a) Utilizing department staff, the staff of other state
40 agencies, and the technical resources of counties and cities to help

1 in the development of comprehensive plans required under this
2 chapter. The technical assistance may include, but not be limited to,
3 model land use ordinances, regional education and training programs,
4 and information for local and regional inventories; and

5 (b) Adopting by rule procedural criteria to assist counties and
6 cities in adopting comprehensive plans and development regulations
7 that meet the goals and requirements of this chapter. These criteria
8 shall reflect regional and local variations and the diversity that
9 exists among different counties and cities that plan under this
10 chapter.

11 ~~((+5+))~~ (6) The department shall provide mediation services to
12 resolve disputes between counties and cities regarding, among other
13 things, coordination of regional issues and designation of urban
14 growth areas.

15 ~~((+6+))~~ (7) The department shall provide planning grants to
16 enhance citizen participation under RCW 36.70A.140.

17 NEW SECTION. **Sec. 3.** If specific funding for the purposes of
18 this act, referencing this act by bill or chapter number, is not
19 provided by June 30, 2022, in the omnibus appropriations act, this
20 act is null and void.

--- END ---